

**Work Session
December 9, 2003**

The Montgomery County Board of Commissioners met in a work session on Tuesday, December 9, 2003 at 4:00 p.m. *Vice Chairman Dolon Corbett called the meeting to order and the following was heard:*

Presentation by Tom Horner – US Forest Service

Tom Horner District Ranger with the US Forest Services was present. He requested to appear before the board. The Forest Service has received additional monies to extend the Uwharrie Trail from its present end in North Montgomery County up to the Birkhead Wilderness in Randolph County. Almost all of the land purchases and easements they will be acquiring in Randolph County.

He said he would like to create the opportunity to get to know the board of commissioners. Mr. Horner said I would like to show you around the national forest. He said we will coordinate a field trip and discuss management and things we are doing and give you the opportunity to ask questions and discuss things of interest of the county and the mutual interest of the county and to the national forest.

Vice Chairman Dolon Corbett said we look forward to that. It was decided that Mr. Matthews would coordinate this trip after the first of the year.

Mr. Matthews said when I first came to the county, he offered to take me on a tour, it took half a day or so, he took me around to various facilities. He said it was very important to me to learn those things to know what is here in the county.

Mr. Corbett said they actually go out of the county into Randolph. Mr. Horner said I wanted to talk a little bit about that as another topic today of some clarification of some issues that we are dealing with right now. He said I look forward to talking with Mr. Matthews about the field trip.

Mr. Corbett said you guys are a big part of Montgomery County. Mr. Horner said I think so I think we are an important part of it that is why I think this kind of thing will be important, we ought to do it more frequently.

Mr. Corbett said I grew up in Ophir so I have been around it all of my life. Mr. Horner said certainly, it will be important to hear from you and things you are concerned about. He said I look forward to talking with Mr. Matthews about the trip.

He said one thing we are doing right now and I wanted to bring to your attention or you may have already heard some things about it, we do extend beyond Montgomery County, although most of the land is in the county. We have about 5,000 acres in Randolph County and extend some into Davidson County. There are some groups in Randolph County (i.e. Uwharrie Trail Club and others) that are primarily focused on interest in hiking and opportunities and other recreational activities in the National Forest. The county government up there is interested and has been interested in pursuing the development of tourism, economic opportunities and we play a role in that being that we are a provider off outdoor recreational activities. But then in conjunction with these interest groups up there, they have been successful in lobbying Congressman Coble's office and he in turn was successful in getting a line item appropriation for acquisition of some key parcel of land for addition to the national forest. The aim of this is to complete a corridor for the Uwharrie National Recreational Trail, which now lies entirely within Montgomery County (the trail head on Hwy 24/27 extends up 26 miles or about 20 miles to the trailhead on Ophir Road close to Jumping Off Rocks. Mr. Horner said there is an old traditional extension of that trail which was established by the Boy Scouts back in the 60's and 70's. He said it goes to Birkhead Wilderness in Randolph County and will eventually have a trailhead at Tahoe Farm Road at the golf course.

Mr. Horner said that these groups were successful in getting these appropriations for acquisition of land to fill in some of the gaps between parcels of national forest. So it will be securing the trail corridor with these acquisitions with either out right purchases or exchanges or acquiring easements for right of ways.

He said I wanted to make certain that if this was previously brought to your attention, these funds are for Randolph County. There have been certain sensitivities in the past in Montgomery County to expand some National Forest System Land Holdings and wanted to make certain you did not hear that we were out buying land again and this is something that is entirely focused in Randolph County.

Mr. Corbett asked if this would be another seven miles. Mr. Horner said probably if we extend it from Ophir trailhead it will probably be five or six more miles.

Commissioner Knight said he had a few questions. He asked you are not talking about any more land in Montgomery County are you? Mr. Horner said the money that was appropriated was entirely for Randolph County. Mr. Knight said you do not need anymore land in Montgomery County? Mr. Horner said we could discuss it, but there are no resources or plans to purchase lands in Montgomery County. Mr. Knight asked what is this trail used for? Mr. Horner said mostly hiking. He said camping and hunters.

Mr. Horner said every year there is a group that sponsors a Fun Run, some run 8 miles and others will start at Ophir Road and run 20 miles to the trailhead on Hwy. 24/27 and some of them when they get there turn around and run back. He said if I got to the end of the trail, personally, there better be somebody there waiting for me with a car and sandwiches.

Mr. Corbett said you would be shocked on any pretty Saturday morning the crowds that park on Ophir Road and Hwy. 24/27 is the same way.

Mr. Horner said it is a well-used trail.

Commissioner Knight asked about land grabbing, he asked what if someone doesn't want to sell? Mr. Horner said it is completely negotiable.

Commissioner Knight asked if you can run and ride on the trail? Mr. Horner said this is for foot traffic only.

Commissioner Knight said you will not be splitting property? Mr. Horner said no, we have crossing management.

Commissioner Corbett said the national forest joins me 25 ft in Uwharrie and I haven't had a moment's trouble.

Vice Chairman Corbett turned the meeting over the Chairman Maness. Chairman rearranged the agenda.

Discussion of County Cemetery

John Callicutt was present to discuss the county cemetery with the board. Mr. Callicutt said that he was driving by one day about two months ago and saw the paving company on the county cemetery land. Mr. Callicutt said with the permission of a previous board, we filled in all of the graves with red dirt and mounded them up and put wooden markers. He said these people went in, of course they said they didn't realize that it was a cemetery, but they practically wiped us out. There is over 200 graves on the property. Mr. Callicutt said we are going to have to do something to bring the cemetery back up to par. He said what I am proposing is inspection and general cleaning of the cemetery as necessary, post a sign that says it is a county cemetery, and restrict vehicles going in and out, and we will have to ask the power company to move their posts out of the cemetery over to the state land next door. He provided a map of the property.

Chairman Maness said that is what you want us to do? Mr. Callicutt said yes, I would like for you to talk with the power company and State Department of Transportation about the paving company.

Commissioner Corbett asked if there is a gate up? Mr. Callicutt explained that Bill Hamilton put up a temporary gate. Commissioner Corbett said we need some kind of gate when we get this done don't we?

Chairman Maness said according to the article you provided for our packets, the commissioners agreed to do this several years ago, mow it, clean it, put a sign up . . . Mr. Callicutt said yes, this is what happened, the commissioners asked the state to go in and fill the grave in and they put little wooden markers. They did a wonderful job, but these people went in, in one evening and wiped us out.

Commissioner Knight asked if there is a fence? Mr. Callicutt said no. He asked where is the land. Chairman Maness explained that it is on Okeeweemee Road. Mr. Knight asked who owns the land, I was reading where the Country Club bought the property? Mr. Callicutt said the county does, they bought the land across the road, you can't sell a cemetery. Mr. Knight asked how did it go unattended or unclaimed? Mr. Callicutt said after Mrs. Morris and I found it, the previous board approved the work and this paving company came in and ran over all of the graves. He said you see there is no sign. Mr.

Matthews said that is when the state was resurfacing the highway and they used that as a staging area for their equipment, I guess they assumed it was vacant property. Commissioner Morris said the power lines are there so I guess they thought they could use it. Commissioner Knight said the power company should have gotten permission or an easement or something to go across this property. Commissioner Morris said she thinks it had just been lost until 1987.

Commissioner Corbett said he thinks the board should have County Attorney Russ Hollers write a letter to the paving company and let them defray some of the costs of what they have messed up. If it hasn't been two or three years, the statute of limitations. Mr. Callicutt said this was two months ago. Mr. Corbett said I know they didn't do this intentionally, but they still caused damage, is that correct? Mr. Callicutt said yes.

Mr. Callicutt had a picture of a grave close to the Uwharrie Trail. He brought the picture to show what they had done, he said I had Mr. Hutto in Biscoe make a little stone with their names on them. He said I am asking that these graves in the cemetery be put back the way they were and marked with wooden stakes. Chairman Maness asked what Mr. Hutto charged for the marker? Mr. Callicutt said he donated those.

Commissioner Knight asked if he had a map of where the graves are and who they belong to? Mr. Callicutt said there is only one grave there that we know exactly who is in it. He said Mrs. Morris when she was Register of Deeds got these names together. Commissioner Corbett suggested putting one monument up and listing all of the names since we don't know which grave is which. Mr. Callicutt said what I recommend is someone get with Mr. Hutto. He said Rosemary Huntley at Troy Flower Shop has offered, with your permission, to put up a sign.

Commissioner Corbett said I am talking about one with the names of all those buried, except the one guy who we know is buried. Mr. Callicutt said it is already marked. Commissioner Corbett said personally I think it is sad that it is gotten in this situation.

Chairman Maness said all of this work will fine, it is all donated, Bill Hamilton can get some inmates. Another thing is we need to continue to keep it up. Everyone agreed. Chairman Maness said it is a cemetery. Mr. Hamilton needs to fix the ground however it needs to be fixed so he can mow it, gate is off and take care of it.

Mr. Callicutt said we need to get the power company to move the power poles. He said if you willfully and knowingly disturb a grave it is a felony in this state. Once they realize there are graves there they should get them out.

Commissioner Knight asked if we know how much money we are talking about to restore and maintain the cemetery? Mr. Callicutt said no. Commissioner Morris said I don't think it would be a lot of money if we used Mr. Hamilton and the prisoners. Mr. Callicutt said I do recommend Mr. Hutto. He said I talked with him the other day and he said he would be glad to help, he could take a little time along and help restore the cemetery where it was. Chairman Maness said we are obligated by law.

Commissioner Knight asked if there is any room for more graves? Mr. Callicutt said it is all graves. Chairman Maness said that is under a whole new set a regulations.

Commissioner Corbett said he thinks it is a wonderful thing that Commissioner Morris and Mr. Callicutt have shown an interest in this.

Mr. Callicutt mentioned the article that Mary Anderson from the Courier Tribune wrote on the cemetery.

Chairman Maness asked the board if they agreed to hand this over to Lee and let him head this up and get started on it to meet the needs of the cemetery and upkeep of it, and if there is any cost to it. The board agreed.

Commissioner Corbett said I would also try to get some funds out of the paving company (Wooten). Chairman Maness instructed Mr. Matthews to write a letter and let him know what happened and maybe you can get some funds. Chairman Maness said this is something you need to go ahead and bring Mr. Hamilton in on.

Mr. Callicutt said that if you have any problems with Wooten, tell him you have a witness.

Commissioner Morris suggested that Mr. Matthews contact Harold Matthews with the Department of Transportation.

Presentation of Fiscal Year 2002-2003 Audit

Michelle Thompson and Chris Phillips from Cherry, Bekaert & Holland presented the county's audit report for Fiscal Year 2002-2003.

Mrs. Thompson explained that this is an unqualified opinion and referenced the letter in the agenda packet that gave a clean opinion. She said that the audit is in a different format than the board is used to. Mrs. Thompson also explained the implantation of GASV 34.

Mrs. Thompson and Mr. Phillips went through some of the pages of the audit report and explained them.

Mr. Phillips also went through the findings of the audit and answered questions.

Commissioner Corbett said this audit is much easier for him to understand.

Mr. Phillips encouraged the commissioners to call him if they have any questions.

Mrs. Thompson said this audit report wasn't as early as they had hoped, however, it was earlier than some of the larger counties.

Transfer of Economic Incentive from Homanit to Unilin

Chairman Maness said we discussed this incentive transfer to Unilin and Commissioner Bostic brought up his opinion on this and thought it would be best to bring the discussion into a work session.

Mr. Matthews said as you know a company called Unilin is purchasing Homanit and all of their assets and we had gotten a letter from one of their attorneys asking commissioners to assign the economic incentive with Homanit to Unilin and that is another reason we are here discussing that.

Mrs. Judy Stevens said when Homanit announced they were coming; they announced a 90 million dollar investment and 150 jobs. When the project was billed out, it was a 105 million dollar investment and 240 plus employees. So they have more than done what they said they would do. She said there is 2 or 3 years left on the five year economic incentive plan they that sign off on with the county. Since Unilin has come in, I know it is a new company, but they are going to be carrying on business as usual as Homanit would. Mrs. Stevens said in talking with the consultant that is working with them. I feel like it is in the best interest of the county to continue those incentives if at all possible. She said I think it sends a good message to them. They have expansion to build a new plant and it sends a message that we want to work with them and that we want them here. Mrs. Stevens said I would hope the county would consider extending those incentives on to them.

Chairman Maness asked how many jobs? Mrs. Stevens said they announced 150 jobs, but it is about 244 now.

Commissioner Morris said I would think it would be well in our favor to do this to keep these people happy, we certainly do not want to loose any jobs. We want to do everything we can to keep them and get more.

Commissioner Corbett said I agree with Commissioner Morris, I am only concerned that we do need a contract with this new company. Mrs. Stevens said absolutely, there is a contract. Mr. Matthews said we currently have an agreement with Homanit and all we need to do is change it over to Unilin. Commissioner Corbett said especially the numbers. Mr. Matthews said exactly with the new numbers.

Mrs. Stevens said there is a signed contract and the incentive says; the policy you all adopted says that you would look at each project individually and based on the merit, that would be what you base each project on. You have that right to look at each project individually.

Commissioner Knight said I read through this incentive on what exactly we are giving them. It talks about the tax break and then collecting taxes. Mrs. Stevens said nothing is given to them upfront, we only have a signed contract with them only after they have paid the taxes and created the jobs. She said we check that. Mr. Matthews said there is a report they send us. Mrs. Stevens said it is verified through the Employment Security Commission that they have the jobs. Only after that happens do they get anything. After they pay their taxes, they get the portion that was agreed upon in the form of a grant.

Commissioner Knight said I don't remember seeing anything in the budget about money coming in. Mr. Matthews and Chairman Maness said it is in there. There is a line item for this.

Commissioner Bostic said I am not in opposition of doing the incentives. My thing I am interested in is they are going to build a new plant. The reason I asked for it in a work session is that if they are going to build a new plant, then we need the plant here in Montgomery County; that is what I am saying. What happens is that when you give a company an incentive program, they do it on the equipment and machinery and stuff like that and after five or six years, they will have depreciated it down so much that the county will not get much from the investment. What bothers me is that when Homanit came and we gave them an incentive and they rode it out for a couple of years and sold it. Mr. Bostic said I don't know what they sold the plant for, but I am sure they didn't lose any money on it. We have supplemented them for all of these years and have gotten the taxes from them, but yet when they sell it. What happens if the Belgian Company comes in and does the same thing? Mr. Bostic asked what are we giving back, \$275,000? Mr. Matthews said roughly. Mr. Bostic said of taxpayers money. He said I am concerned about jobs in the county just as much as anybody, but when we give away this type of money back to people, we have other factories and companies in here that we haven't given tax incentives to. How are we going to look? Use their tax incentive as a tool or as an ace in the hole if you will, seeing if we can't get them to consider us for the new plant and I wouldn't be opposed to giving them tax incentive on the new plant and the existing plant. He said we need some leverage to bring to the table. They need to come here to get the raw material.

Chairman Maness asked how much their investment is? Mrs. Stevens said they announced 90 million, but it ended up being 105 million. Chairman Maness asked how much if it is depreciated down. Mr. Matthews said there is some, not a whole lot. Commissioner Corbett said it may be a 12 year plan. Chairman Maness said it may be a 20 year plan. Commissioner Corbett said more than likely it is twelve. Chairman Maness said most companies use a 20 year.

Commissioner Morris said don't you use that incentive as a tool to get people to come here? Mrs. Stevens said we do to recruit people here. She said I don't necessarily like the incentive, but we have to use it because others do. Mrs. Stevens said the Governor is calling a special session today to talk with the legislature about incentives.

Chairman Maness said some companies come in wanting the land, they want it graded and water and sewer connect provided as well. He said we are going to have to have this mind set. He said I understand what Commissioner Bostic is saying, but I don't want to scare them off either.

Commissioner Knight asked how much of the \$275,000 do they get back? Mr. Matthews said up to 80%. Mrs. Stevens said that is on the highest end of the incentive. Mr. Matthews said it is based on their investment, and they are on the higher end of the investment.

Commissioner Knight said when we talk about jobs, I worked down there at the prison, the commissioners probably had some say so about it coming here. It was 250 more jobs, but 200 of the employees were from Anson County. Commissioner Knight ask how many of their 244 people are from Montgomery County? If we are trying to create jobs, then Montgomery County people need to get these jobs. He said I think this is where we are going to have problems.

Mr. Matthews said we can amend the incentive agreement that says a number of the employees have to be from Montgomery County, the commissioners set the policy. Mr. Matthews said we need to do that. Mr. Knight said we don't need to give them our tax money and take our taxes over to Stanly County.

Mrs. Stevens said people have to have the skills they need. Commissioner Corbett said I think the college could train people. He said I am really tired of hearing that. He said we have some terrific people here in the county, with good skills. Mrs. Stevens said I agree. She said they look at Montgomery County as a small county, small population base, \$12,000 work force. They are afraid that we want have the number of qualified workers they need. In a five year build out, they are going to do this in three phases. She said they are looking at 325 jobs in a five year period. A lot of those are high skill jobs, what we told them is that if we don't have the employees now, by the time the plant is opened they will be trained, and we can train them, and can be Montgomery County Citizens. Commissioner Corbett said they will turn people away from Montgomery County. Mrs. Stevens said Homanit is helping us, they are saying that they have been able to find qualified people to run the plant and they are satisfied with the work force. The turnover is on the lower end, which everybody experiences. Mrs. Stevens said I think we have a lot of things in our favor. She said over a five year period and in three phases, the total investment will be 80,000 million dollars and 325 jobs. Commissioner Bostic said we will get some water money out of that too.

Commissioner Knight said this new plant, before they come in here, do we have the work force, because I wouldn't want to bring the plant to Montgomery County without a work force. Chairman Maness and Mrs. Stevens said that is their question. Mrs. Stevens said that is the number one thing. Chairman

Maness said Commissioner Bostic and I were at a meeting the other day and that was one of their biggest concerns. Mr. Maness said the people they are wanting to hire, they are not going to be able to hire all of them from Montgomery County. Commissioner Knight said when you hire your upper level people from other counties, when they sit on interview boards; they are going to hire people from other counties. Mr. Knight said I saw it when I was at the prison. He said I have wondered why we built a prison here when we hired people from Anson and Stanly. Mrs. Stevens said the upside is that we may gain some more people. We may have some new people come in to live here if they work here. Chairman Maness said will have to. Mrs. Stevens said that will help us if we draw some new people in here. Mr. Knight said we have people traveling from Fayetteville, Greensboro . . . These people are coming in here taking our jobs and taking the money back to Fayetteville and Raleigh and all of these other places. We built a prison here and we didn't even have qualified people in the county to run it. If we bring this plant in here that is one thing we need to look at. Are we going to have the workforce? If we don't let them build it somewhere else. If we are going to send the money somewhere else, because we are not helping our people by putting industry in here that we can't hire people to work. Mrs. Stevens said this industry would draw from a large area. You have to throw a large net, if it goes into Davidson County, to get the workforce they want. It is still going to benefit Montgomery County through the investment that they bring. Commissioner Knight said I know it will benefit some, but I was just thinking about those people out there that are needing jobs, that want to work. We build plants here and they still can't work, although we benefit from tax revenue and other things like water. He said we are selling water to other counties now. He said we can sell water to a lot of folks, but we want to create jobs for the people of Montgomery County. Commissioner Morris said we can train people. Commissioner Corbett agreed with Mrs. Morris. Mr. Corbett said that is the very thing.

Commissioner Knight said do you know what someone told me that jobs were going overseas. He said those people have the initiative to train. They train people how to use the switchboard and how to speak English so when we dial the phone we can talk with those people over there and get the same service that our people can give them. They train there people for it and then these people go there and work them.

Chairman Maness said Mrs. Stevens I know you know what you are doing. He asked her if she had talked with her board about this? Mrs. Stevens said yes the board would be in favor of it. She said I haven't spoke with some and the chairman and I think the EDC board would be in favor in continuing this business here.

Commissioner Bostic said don't get me wrong I am not against . . . Chairman Maness said I understand. Commissioner Bostic said all I am saying is let's . . . we are playing hard ball now, we aren't playing softball. He said if we can get them to say they will bring their plant here, then we will give them something, we will give them 20% of their tax money from the firm that is backed by another government. Commissioner Bostic said you know Mrs. Stevens, I am on your board and I appreciate all you do, but there are 26,000 more people out here that we have to concern ourselves with. Mrs. Stevens said we have some local companies right now that are looking to expand that have been here for years, that are looking at our incentive program. She said I told them this program is just as much for them as companies coming in. Mrs. Stevens said they will be coming to you to see if they qualify for the incentive program, and they should.

Commissioner Bostic said I had a guy call me on the way here, he wants some land in Candor to move his plant. He said you know who I am talking about? He said you know we are not hard up, he said people do like Montgomery County and we are not going to get them all anyway. He said what could we do with \$275,000? Mrs. Stevens said Mr. Bostic after five years we don't have to give it to them anymore. Commissioner Bostic said I know but they are going to depreciate it. Chairman Maness said the way they are talking they are going to depreciate over 20 years. Commissioner Bostic said you said 20 years, did they? Mr. Matthews said this is only the second year and they haven't paid, so I don't know how much has dropped off between this year and last.

Chairman Maness asked Mrs. Stevens what she thought, do we need to do this? Mrs. Stevens said I really think we need to do it. Commissioner Corbett said I agree, but I think we need to put the controls in here, the people and such. Commissioner Morris said that is part of it isn't it Mrs. Stevens? Mrs. Stevens said yes.

Commissioner Knight said I can agree with the incentives, and I think we should be in a position to give incentives, and one thing I hope we don't do is threaten somebody. He said you know if you threaten a child, they don't like it, grown folks sure don't want to be threatened, you turn people off and I hope we don't have to go to that.

Chairman Maness asked for other questions for Mrs. Stevens. There were none.

The board agreed to forward it to the regular session.

County Manager's Report

Fire Department Water Bills

Mr. Matthews said we received a request from the Pekin Fire Department. He said when the county ran the water lines down the Pekin Road, the Fire Department hooked on. He said Mr. Carpenter correct me if I am wrong, they have a 2" tap and they just use it to fill up their trucks, the community building is not hooked on. We started sending them the minimum bill and they are requesting we waive the fee because it is used for fire protection. He said I asked Chairman Maness about it and he said I should bring it before the board. Mr. Matthews said I checked and there are two other fire departments that have county water as well, that is Uwharrie and Lake Tillery. He said the historic use has been the minimum amount. Mr. Matthews said I feel that if we waive it for one we need to do for all three. He said we are talking about \$360 a year. Chairman Maness said I don't have a problem with that, does the board want to carry this forward? Commissioner Bostic said I have no problem with that. Commissioner Corbett said that is a good deal.

The board agreed to carry this issue forward to the regular session.

Updated Financial Report

Mr. Matthews gave the board an updated financial report through November. Mr. Matthews went through the report and discussed revenues. He said we have collected 67% of what we budgeted, Inspection Fees are running higher than what we expected over last year, all other revenues is 41% of the budget and they are all in that range. He discussed the drop in the amount of interest income. Chairman Maness asked him to keep the board posted regarding this interest income.

Mr. Matthews then went over the expenditures. He said most of the expenditures are on line, there are some that are not, but there is a reason for it. Commissioner Corbett asked about Public Buildings. Mr. Matthews said part of that is \$100,000 for our general liability insurance, we pay that two times a year. Commissioner Corbett asked about MCC Current Expense. Mr. Matthews said I am not sure about that I will need to check with the Finance Officer about that I think they are prorated so much a month. He said that is one that will not go over, because whatever is budgeted, that is all they get. Chairman Maness said we need to watch it and help our cash flow a little bit. I will check with Mrs. Baxter on that.

Mr. Matthews mentioned the Fire Department budget. The lease payment has been made already this year.

Mr. Matthews said other than that, everything else looks in line with the projections.

Commissioner Morris asked about the Governing Board. Mr. Matthews said the audit expense and the worker's compensation payment comes out of this budget.

Commissioner Knight asked Mr. Matthews how long this report represents? Mr. Matthews said the first five months of the year. Mr. Matthews said I think the department heads are doing a great job of holding the line to the budget. He said you always have one or two who tow the line, but that it is to be expected with an organization our size. By in large they are all doing a great job in managing their budget.

Mr. Matthews said this is a summary of where we are at with the budget.

Announcements

Mr. Matthews made the following announcements:

- Friday at noon is the EDC/Chamber Luncheon at the Eagle Springs Inn
- Prayer breakfast Friday morning at the Senior Center
- Meeting next Monday at 6:00 at Cooperative Extension regarding voluntary agriculture districts. (Some area farmers and cooperative extension may be coming to the board in the future to adopt some agricultural districts.) Other counties have done and it helps with conflicts.
- Exotic Animal Ordinance – Mr. Henry brought in some forms where he has a breeder loaner program. He owns a couple of exotic animals that meet the definition, but he has them on loan to someone else to breed those animals. The question is are they considered grandfathered or not. Commissioner Corbett said if you will look at our minutes on page 678, it is spelled out very carefully. He said we also have in our ordinance, no breeding

animals. Mr. Matthews said right, I just wanted to let you know. Commissioner Morris said they can't breed them here. Commissioner Corbett said outside of Montgomery County he can. Mr. Matthews said he was very cordial, but he is contentious on this issue. Chairman Maness said we need a legal ruling on it. Commissioner Corbett said it is in the minutes. Chairman Maness said I would think it would be whenever we adopted the ordinance. Commissioner Morris said we still need to know what is legal and what is not. Mr. Matthews said I will talk to Attorney Hollers about this. Commissioner Knight asked what is the legality? Mr. Matthews said Mr. Henry owns a couple of animals that were not physically in the county when the ordinance was adopted, he has them on loan to someone, and the question is if they are grandfathered or not. Commissioner Corbett said Mr. Matthews I believe you said he would let you see the paper work on these animals? Mr. Matthews said he let me see them, he wouldn't let me copy them. Commissioner Corbett said that is a flag right there. Chairman Maness said we need a legal ruling, we have an ordinance that needs to be abided by. Commissioner Corbett said by everybody.

Water Deposit

Commissioner Corbett brought up the issue about a water deposit fee. He said if you buy the house next to you, you can call Randolph Electric and have them turn the power on and if you call Sprint, they will turn the phone on without paying another deposit. He said we do something weird here in the county, we charge \$25 for someone who may have never missed a payment and the county spends more labor sending that back to folks. Why do we do that? Why can't we consolidate and make one deposit?

Mr. Tim Carpenter from Hobbs Upchurch said to be honest with you the ones I have seen, I understand what you are saying, every county I have worked in it is considered a meter deposit. He said there is a cost for that meter \$25 or \$30, generally is called a meter deposit more so than an account deposit. I understand that the principle of what it is for Mr. Corbett is to cover that one month's back bill if they pick up and leave and they owe a month's bill and I have heard some people say it is used to cover the cost of the meter, that about does. For example the other counties I work with do it the same way you do.

Waterline Project Discussion

Deberry Road

Mr. Carpenter said the biggest reason I am here to talk with you is about Deberry Road. He said this road was on the list of roads that were included to be extended down, they were designed and permitted. He said now as we are finding out, none of the other roads you haven't had problems coming in and paying, however, on Deberry Road there have been some people that have moved out of Deberry Road. He said originally there were 16 sign-ups, now only 3 of those intend on participating in the project. Mr. Matthews said everybody is in the middle of the road. Mr. Carpenter said there is some length of line you have to run to get to them, not meeting the standards you chose. He said before I turn the contractor loose on this I wanted to get the board's opinion on how to proceed. Mr. Carpenter said there would be some savings. Mr. Matthews asked for the cost savings. Mr. Carpenter said about \$55,000. Commissioner Morris said what you are saying is not do this road and move the \$55,000 to the next road. Mr. Carpenter said yes. Chairman Maness asked Mr. Carpenter if he had the list of roads? Mr. Carpenter said yes. Commissioner Corbett said three people would set a dangerous precedent. Mr. Carpenter said 3 out of 16 potentially along the road. Commissioner Morris asked what is the next road? Mr. Carpenter said Mr. Matthews and I were talking about that today, and we need to be careful not to extend the lines without prior permit approval. He said we can come back with you with the list. Chairman Maness said what you are saying is stopping Deberry? Mr. Carpenter said that is my recommendation is to not extend the line down Deberry due to the lack of participation. Commissioner Morris said you will come back to us with a list. Mr. Carpenter said yes. He said what I can do is come back with the report of the roads with the new water lines and show you how the budget is fairing. He said we are under the project budget. Mr. Matthews said we could add the money we are under budget to the cost of Deberry Road and extend the water lines to more than one. Commissioner Morris said as long as we go down the list she doesn't have a problem with it.

Chairman Maness asked Laura Morton if we have gotten in any more petitions? Mrs. Morton said there have been a few that have come in, but not like it was. Mr. Maness said we have had more rain.

Commissioner Knight said you know if we say we cut out Deberry Road, and the next road on the list will cost \$90,000, so we couldn't drop down and get the next one. Mr. Carpenter asked what is the next road? Mr. Knight said Little River Golf Road which is estimated at \$92,664. Commissioner Corbett asked where Little River Golf Road is? Mr. Carpenter said Steeds/US 220.

Mr. Carpenter said what I need to do is tell the contractor what to do, I have held him off, I need to know what to tell him.

Chairman Maness asked Mrs. Morton if all of the people who signed up have been contacted. Mrs. Morton said that all of the ones that signed up and were on the petition have been contacted and I have written notes on their water user agreements their response. She said there are several that still live there that said they do not want it. We have tried.

Commissioner Knight asked if there have been similar problems with any of the other roads? Mr. Carpenter said I don't think we have. We have looked at Mrs. Morton's list and everything looks in line.

Chairman Maness said if we have done all of these things, does the board need to vote on this? Mr. Carpenter said what I would like for you to do is give me some direction. Mr. Matthews said I don't think it requires a vote in regular session.

Chairman Maness asked what the pleasure of the board is. The board agreed to delete them from the list and give the water to people who want it.

Scope of Services for Rate Study and Capital Improvement Plan

Mr. Carpenter said one other thing is at the last meeting, I told the board that I would come back with a scope of services for rate study and capital improvement plan. I have that and I will hand it to Mr. Matthews to copy for you. It is for the evaluation of the project, water system budget, your rates compared with surrounding counties, and also to do a capital improvement plan so you can budget for expenses down the road.

Commissioner Corbett said our rates are cheap aren't they? Mr. Carpenter said yes sir. He said your rates are cheap, but your bulk-users account for a lot of revenue, your individuals account for a good bit of the revenue, you have a good customer base, your rates are cheaper than surrounding counties, but you have a large infrastructure backbone compared to them. Chairman Maness requested copies for the next meeting.

Water Line Extensions

Chairman Maness asked how we stand with the water lines? Mr. Carpenter said we are about 75% complete, we started setting meters on Substation and Strider Roads last week. Shoe Factory Road and Hallyburton Road will be installed next week. Mr. Carpenter said the contractor has done a great job. He said there has been very little complaints. He said Mrs. Morton, I don't know how your phone has been. Mrs. Morton said very little. Mr. Matthews said I had one complaint on Substation Road. Mr. Carpenter said I have been real pleased. Commissioner Corbett said better than Pekin Road isn't it. Mr. Carpenter said yes.

Commissioner Knight asked if there are any water lines under six inches? Mr. Carpenter said no sir.

Dry Creek Road

Commissioner Knight asked about the grant for Dry Creek Road, weren't we supposed to hear from that in December? Mr. Carpenter said I talked with the lady who writes the grants for our office and she said there probably would not be an announcement until January or February. Mr. Carpenter said the one thing she really stressed to me was that we make some contacts with our state legislators. Mr. Matthews said we talked with Senator Tillman at the meeting at the Senior Center and he wrote a letter on our behalf, but it probably would not hurt the board to contact him again along with Representative Gibson. Mr. Carpenter said the reason I say contact them is that you are on the edge of terms of bonus points of what they typically fund, but what you have is the critical health issue, which they need to understand. Mr. Matthews said we need to tell them how important it is and stress the health issue and have them call the state. Mr. Carpenter said I will try to firm up a date. Mr. Knight said I was hoping since we are about through with this we could go ahead and start on this one if we received the grant. Mr. Carpenter said this is not a project you can roll over into this same contract, we will have to go out for competitive bid.

Reece Dennis

Chairman Maness said I went out to Reece Dennis to look, I need more information. He said if we ran down to those two houses, why did we stop there at that house? Mr. Matthews said he didn't sign-up at the initial sign-up the only person that signed up was one house. Chairman Maness and Mr. Carpenter said there were two signed up. Mr. Matthews said they signed up. Mr. Dennis signed up late. Chairman Maness asked if Mr. Dennis was a late sign-up? Mrs. Morton said I do not know, all I know is he was an add on. Mr. Carpenter said I do I was involved in the project. He said when Mr. Dennis signed on

the water lines were not fully constructed, but the project had been bid out and permitted. As opposed to extending the line, they installed a service line that eventually ran to his house. The reason we did not extend it was we were beyond the limits of how far we could run a 2" line. He signed up late. Commissioner Morris said what you are saying is we ran the 2" line as far as we could run it? Mr. Carpenter said yes. Chairman Maness asked what will we have to do now to get water to him? Mr. Carpenter said extend his service line off of the 2". Mr. Matthews said last year we did go ahead and run it another 200 feet. Chairman Maness asked why stop there, while you have the equipment out there? Mr. Matthews said this is when it came up last year, we were trying. . Chairman Maness said that is not answering my questions. Why wouldn't you go ahead and fix the problem while the equipment is there, because it is very inexpensive once you have the equipment there. Mr. Carpenter said what I need answered is when the line was complete that part of the construction. The reason I say that is you can only run 2" so far. We set a service for him (he said he was not sure if he had a flag out or not) along Dennis Drive just beyond where we put the 2" and it was on his property and it was his responsibility to come to the service. The issue rose that he was pretty bad off and the issue rose last year the guys at the water plant extended the service line, not the 2", but evidently wasn't far enough to his house. Mr. Matthews said we were trying to take it upon ourselves to help him out and at that point last year and ran it another 200 feet. Commissioner Morris said it is the customer's responsibility to run the line. Commissioner Corbett said I have neighbors in Sugar Loaf that ran their line 600,700, and 800 feet. Chairman Maness said my point is why didn't they just fix it while they were there.

Mr. Carpenter said USDA has a grant program now to help people run their water lines to their house, it doesn't pay for everything, but it does pay for about 75% of the cost.

Mr. Carpenter said it would cost \$1,978 to finish this out. Commissioner Morris said I want Mr. Dennis to have water, but if we do this how many more will come and want us to run theirs? Commissioner Corbett said that is exactly right, I agree, there are folks that can't afford it that don't come to us. Chairman Maness said you are missing my point. My point is why didn't they fix it while we were out there, we sit here putting band-aids on it and now we are going to go get a grant for it and we are wasting all of this time. Why didn't we fix it while we were there? Commissioner Morris said we shouldn't have done that to start with. It needs to be on the next meeting agenda. Commissioner Bostic said you are saying it will cost \$1,900 to run the service line where it stops to his house, there is no way. Commissioner Corbett said how many feet? Mr. Matthews said about 800 feet. Mr. Bostic said from the 2"? Mr. Matthews said it was over 1000 feet to start with. Commissioner Corbett said they will dig a line for 60 cents a foot if you supply the pipe. Mr. Carpenter said I don't see the \$1,900 myself.

Star Christmas Parade

Mr. Matthews said the commissioners are #45 and #46 in the Star Christmas Parade.

Items Carried Forward to the Regular Session

- Economic Incentive Contract Transfer to Unilin
- Water Bills for Pekin, Lake Tillery, and Uwharrie Fire Departments
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There being no further business the meeting was adjourned.

William D. Maness, Chairman

Laura B. Morton, Clerk to the Board